(d) the international borrowings and debt liabilities each year during the past three years and projections for 1995-96 together with the repayments; and

(e) the gross amount of repayment of internal and external debt in 1993-94, 1994-95 and in 1995 and its percentage of the revenue receipts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBIPROSAD PAL): (a) to (e) The information is given in the table below:

(Rs. Crore)

		1993-94	1994-95 R.E.	1995-96 B.E.
(a)	Gross external aid on Government account.	**10223**	**10602**	**11526**
	Cash and commodity grants.	993	1176	1154
	Loans.	9230	9426	10372
(b)	Gross revenue receipts	97748	113613	130175
(c) and (e)	Repayment of Principal (i+ii)	**63432** 58482	**62258** 56778	**70480** 64564
	(i) Internal debt and other liabilities (excluding discharge of 91 days treasury bills, Reserve funds and deposits not bearing interest and suspense transactions).			
	(ii) Repayment of external debt.	4950	5480	5916
(iii)	Percentage of (c) & (e) to (b)*	64.9%	54.8%	54.1%
(d)	Net internal borrowings and other liabilities raised during the year**	70969	60377	54481

* It may be noted that although percentage is given in (iii) above in answer to parts (c) & (e) of the Question, in fact, principal repayment of internal and external debt can be met from fresh borrowings, thus rolling over the debt. They do not have to be met from current revenue receipts. As such the percentage computed in (iii) above may not be an appropriate measure of debt burden.

** The figure for 1992-93 is Rs. 41941 crore.

International Monetary Fund

*224. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased state:

(a) whether International Monetary Fund has urged India to reduce its federal and State deficit and broaden tax base etc.;

(b) if so, whether Government propose to initiate any corrective measures as desired by IMF; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBIPROSAD PAL):

(a) to (c) Fiscal consolidation has been at the heart of the Government's policy of macroeconomic adjustment and reform initiated in 1991. With this in view, the Central Government fiscal deficit has been brought down from 8.4 per cent of GDP in 1990-91 to about 6.2 per cent in 1994-95. Containing the fiscal deficit, both Central and State, is the foremost task before the Government as highlighted by the Finance Minister while presenting the Union Budget speech. All observors of India's reform programme, including the IMF, agree that fiscal consolidation is the key to the success of India's programme that will lead to sustained high growth. Government is taking all possible corrective measures to reduce expenditures and increase revenues so that the objective of reducing fiscal deficit is achieved.